

MEMORANDUM

To: Research Committee Members, Colorado Commission on Affordable Health Care
From: Michele Lueck and Amy Downs, Colorado Health Institute
Re: Health Care Transparency Legislation
Date: June 15, 2015

The Colorado Health Institute (CHI), on behalf of research committee member Jay Want, conducted research into legislation related to health care transparency in Colorado. This memo includes findings from that research. Both Jay and CHI believe that this information will be of interest to all research committee members.

The *Report Card on State Price Transparency Laws*, published by the Catalyst for Payment Reform organization and the Health Care Incentives Improvement Institute, provided data for this memo.¹

Please note that this inventory may not include all legislation that has been passed on health care transparency in Colorado. Instead, it is meant to provide an overview of the major legislation currently in statute. Legislation that was proposed but failed in the 2015 legislative session is included to illuminate current conversations about health care transparency.

Successful Legislation

Senate Bill 03-015

- 2003
- Requires hospitals and other licensed or certified health facilities to disclose the average facility charge for frequently performed inpatient procedures prior to admission for such procedures.

House Bill 06-1278

- 2006
- Created the hospital report card available on the Colorado Hospital Association's website. A variety of metrics enable the public to compare hospitals in Colorado based on volume, mortality, patient safety and infection rates as well as other measures.

¹ 2014 Report Card on State Price Transparency Laws. The Catalyst for Payment Reform and the Health Care Incentives Improvement Institute.
http://www.hci3.org/sites/default/files/files/Report_PriceTransLaws_2014.pdf.

House Bill 08-1385

- 2008
- Makes information regarding the price of health care insurance readily available to consumers through the Division of Insurance (DOI). The DOI must maintain a consumer guide on its website that is easily accessible and available to consumers regarding each carrier authorized to do business in the state.

House Bill 08-1389

- 2008
- Requires insurance plans to file detailed descriptions of their rating and renewal underwriting practices with the Commissioner of Insurance. Rate increases must be filed with the Commissioner at least 60 days prior to the proposed application of rates. Provided the Commissioner with a number of standards to determine if rate increases are excessive, unjust or discriminatory.

House Bill 08-1393

- 2008
- The Health Care Transparency Act. Created to “assist and allow consumers to make educated choices regarding their health care needs and to require health care providers and carriers to share more information on prices and reimbursement rates,” according to the bill.
- Requires each carrier to submit to the DOI a list of the average reimbursement rates, either statewide or by geographic area, for the average inpatient day or the average reimbursement rate for the 25 most common inpatient procedures based on the most commonly reported diagnostic-related group. The DOI must post this information on its website.

House Bill 10-1330

- 2010
- Created an advisory committee to “make recommendations regarding the creation of a Colorado all-payer claims database for the purpose of transparent public reporting of health care information,” according to the bill.

Proposed 2015 Legislation That Failed**House Bill 15-1141**

- Would have required that the hospital provider fee amount be listed on patient billing statements. The hospital provider fee is levied on hospitals in order to draw down federal Medicaid matching funds.

Senate Bill 15-074

- Would have required health care facilities to publicly disclose direct pay prices for the 11 most common health care services.

Senate Bill 15-259

- Would have required out-of-network providers to disclose that they are not part of a consumer's insurance network. Also, would have required out-of-network providers to submit claims for the full cost of all treatments to a patient's health insurance carrier rather than to the patient. Was intended to protect patients from being stuck with unreasonably high charges.